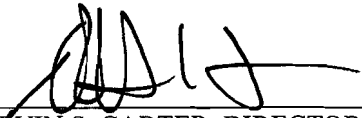


NOVEMBER 17, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON NOVEMBER 17, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 6:00 P.M. ON NOVEMBER 17, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 4; SURFACE ACTIONS AS LISTED ON PAGES 5 TO 19; DEVELOPMENT ACTIONS AS LISTED ON PAGE 20; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 20.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 6:00 P.M. ON MONDAY, DECEMBER 1, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION

LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

METALLIFEROUS MINERAL LEASE READJUSTMENT AND EXTENSION – ML 48151 (SCH)
(CONTINUED)

- The current Metalliferous Minerals Lease Form requires an annual rental payment of \$500 or \$1 per acre - whichever is greater. For leases that are extended beyond their initial primary term, the lease requires an annual advanced minimum royalty in the amount of three (3) times the annual rent. Readjustment of ML 48151 will require the \$500 annual rental and the annual advanced minimum royalty of \$1500 (three times the annual rental) for a total annual payment of \$2000.
- The Lessee shall pay Lessor a production royalty on the basis of 8% of the Gross Value for fissionable metalliferous minerals and 4% of the gross value for non-fissionable metalliferous minerals.
- The lease will continue for a second ten (10) year term as long as the diligent development requirement is satisfied or the Lessee has achieved commercial production of the leased substance from the leased premises. The second ten (10) year term will **expire on December 31, 2018.**

The Lessee has agreed to accept the readjusted terms of ML 48151 and will enter into the readjusted lease agreement upon approval by the Director of the School and Institutional Trust Lands Administration.

ML 48151

Jerry Glazier

P.O. Box 752

Hurricane, UT 84737

T33S, R20W, SLB&M.

SEC. 36: SW¼

Iron

160.00 Acres

FUND: SCH

Upon recommendation of Mr. Stokes, the Director approved the readjustment and term extension of Metalliferous Minerals Lease ML 48151.

CORRECTION OF DIRECTOR'S MINUTES OF JANUARY 12, 2000 – ML 48434 – GEOTHERMAL (SCH)

On January 12, 2000, the Director approved the above-numbered lease to R.L. Wright. The description was listed as: Lots 3, 4, SE¼NW¼, S½SE¼ Sec. 31, T25S, R6W, SLB&M., 200.00 acres. It has been discovered that the description should have read: Lots 3, 4, SE¼NW¼, S½NE¼ Sec. 31, T25S, R6W, SLB&M., 200.00 acres.

Upon recommendation of Mr. Stokes, the Director approved the above-listed correction of description.

TOTAL ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of the lease listed below to Rover Resources, Inc., 2549 West Main Street, Suite 202, Littleton, CO 80120, by John L. Obourn, Jr. No override.

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

JOHN L. OBOURN, JR. – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

ROVER RESOURCES, INC. – 100%

....ML 51407 (SCH)....

TOTAL ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to G3 Operating, LLC, 475-17th Street, Suite 1210, Denver, CO 80202, by Thames River, LLC. No override.

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

THAMES RIVER, LLC – 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

G3 OPERATING, LLC – 100%

....ML 51419 (SCH: 480.00; NS: 200.00)....ML 51420 (SCH)....

AMENDMENT OF OIL, GAS, AND HYDROCARBON LEASE - ML 50336 (SCH)

Through inventory of our lands, it has been found that the county in the above-numbered lease was in error. The lease was issued as follows (affected county is bolded and italicized):

T26S, R15E, SLB&M.

SEC. 36: ALL

640.00 ACRES

EMERY COUNTY

T26S, R15E, SLB&M.

SEC. 36: ALL

640.00 ACRES

EMERY/WAYNE COUNTIES

The parties have agreed that there will be no retroactive refunds or charges to lessee for incorrect descriptions resulting in overpayment or underpayment of rentals. However, any changes to delay rental amounts will be effective immediately and corrected amounts will be due commencing on the next ensuing anniversary date of the lease following the effective date of this amendment and will continue at that rate so long as the lease remains valid and in full force and effect unless the Record Title Lessee is notified otherwise by TLA.

The lease and all other of its terms and conditions remain in full force and effect and are ratified hereby. To the extent necessary to effectuate the intent of the parties stated herein, this amendment shall be deemed to contain present words of grant.

This amendment has been agreed to and executed by the current lessee of record, Craig S. Settle, 5897 South Fulton Way, Greenwood Village, CO 80111.

Upon recommendation of Ms. Garrison, the Director approved the above amendment as listed.

RELEASE OF STATEWIDE BOND OF LESSEE (ALL)

On August 4, 2006, the Director accepted a \$15,000 State of Utah Statewide Bond of Lessee from JED Oil (USA) Inc., Bond No. RLB 0009448, with RLI Insurance Company, Attn: Paul M. O'Sullivan, Suite 400, 8 Greenway Plaza, Houston, TX 77046-0899, as surety to cover their statewide oil and gas exploration and development operations. JED Oil (USA) Inc., Box 1420, 1601 15th Ave., Didsbury, Alberta, Canada T0M 0W0, has requested release of Bond No. RLB 0009448 as they currently have no operations or pending activities on trust lands.

Upon recommendation of Mr. Bonner, the Director released Bond No. RLB 0009448.

RELEASE OF STATEWIDE BOND OF LESSEE (ALL)

On October 18, 2000, the Director accepted an \$80,000 State of Utah Statewide Bond of Lessee from Crescendo Energy, LLC, Bond No. 0437483, as surety to cover their statewide oil and gas exploration and development operations. Subsequently, on December 17, 2004, in accordance with new bonding requirements, Crescendo Energy, LLC submitted a rider decreasing Bond No. 0437483 from \$80,000 to \$15,000.

In July, 2005, the Agency released Bond No. 0437483 and accepted as replacement a \$15,000 State of Utah Statewide Bond of Lessee from Crescendo Energy, LLC, Bond No. B001760, to cover their statewide oil and gas exploration and development operations. Subsequently, Slate River Resources, LLC acquired the interests of Crescendo Energy, LLC and submitted a rider changing the principal on Bond No. B001760 to Slate River Resources, LLC. Slate River Resources, LLC, Attn: Bruce E. Johnston, Suite 900, 1600 Broadway, Denver, CO 80202, has requested release of Bond No. B001760, as they currently have no operations or pending activities on trust lands.

Upon recommendation of Mr. Bonner, the Director released Bond No. B001760.

REPLACEMENT STATEWIDE BOND OF LESSEE (ALL)

EnCana Oil & Gas (USA) Inc., Suite 1700, 370 17th Street, Denver, CO 80202, has submitted a State of Utah Statewide Bond of Lessee, in the amount of \$15,000, Bond No. 105073463, to replace Bond No. RLB0001191. This statewide bond is to cover their oil and gas exploration and development operations on trust lands. The surety is Travelers Casualty and Surety Company of America, Attn: Dedee Kelly, Alliant Insurances, Inc., Suite 2750, 5847 San Felipe, Houston, TX 77057-3265.

Bond No. 105073463 is submitted as replacement for Bond No. RLB0001191 which was accepted by the Director on February 9, 2000, and subsequently amended on May 11, 2007.

Upon recommendation of Mr. Bonner, the Director accepted the \$15,000 Statewide Bond of Lessee Bond No. 105073463 from EnCana Oil & Gas (USA) Inc. as replacement for Bond No. RLB0001191.

S U R F A C E A C T I O N S

RANGE IMPROVEMENT PROJECTS

RANGE IMPROVEMENT PROJECT NO. 338 (APPROVAL)

APPLICANT'S NAME AND ADDRESS:

Division of Wildlife Resources
1594 W. North Temple
Salt Lake City, UT 84116

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:

Township 16 South, Range 22 East, SLB&M
Section 15: SW $\frac{1}{4}$ SW $\frac{1}{4}$ (Within)
Section 16: SE $\frac{1}{4}$ SE $\frac{1}{4}$ (Within)
Section 21: E $\frac{1}{2}$ (Within)
Section 22: W $\frac{1}{2}$ (Within)
Section 27: W $\frac{1}{2}$ (Within)
Section 28: NE $\frac{1}{4}$ (Within)

COUNTY: Grand FUND: School ACRES: 500.00 +/-

REQUESTED/PROPOSED ACTION:

The applicant proposes to remove approximately 500 acres of pinyon and juniper using a "bullhog," which will chip the trees on site and scatter the mulch. The site will not be seeded post treatment, and will not require rest from livestock use.

RELEVANT FACTUAL BACKGROUND:

The applicant submitted a proposal for this range improvement project on July 28, 2006. The site was previously chained in the 1970's.

The Resource Development Coordinating Committee ("RDCC") was notified of this action on August 26, 2008. RDCC responded with "[n]o comments."

The Trust Lands Administration's staff cultural specialist determined no cultural clearance is needed.

A search of Agency records was made to determine the status of the area involved. The grazing permittee of GP 22541-07 is the applicant. There are two mineral leases (ML 47566 & ML 47568) within the project area; however, due to the nature of the project, the leases will not be affected.

RANGE IMPROVEMENT PROJECT NO. 338 (APPROVAL (CONTINUED))

Following is a flat rate amortization schedule (NRCS Schedule) for this project if the Trust Lands Administration cancels the grazing permit before this project is fully amortized. If the permittee sells or allows the permit to expire or to be canceled due to its own failure, then the amortization schedule will be canceled. The project cost on trust lands is valued at \$137,000.00 (\$274.00/ acre).

Project	Project Cost	Project Life	Year Completed	Yearly Amortized Deduction	Year Fully Amortized
Brush Treatment	\$137,000.00	15 years	2009	\$9,133.33/year	2024

EVALUATION OF THE FACTS:

This range improvement is in compliance with R850-50-1100(5)(a) and (b). The project does enhance the value of the resources pursuant to R850-50-1100(5)(c).

Upon recommendation of Mr. Chamberlain, the Director approved Range Improvement Project No. 338. This summary will constitute the Record of Decision.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5208**

On November 3, 2008, Ms. Jeanine Kleinke, Trust Lands Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of Moab Ultimate Cross Country Endurance Challenge, c/o Danelle Ballengee, 577 Cliffview Drive, Moab, UT 84532, to occupy the following described trust land located within Grand and San Juan Counties to conduct a commercial cross-country endurance race:

T26S, R21E, SLB&M

Sec's 29, 30, 31, 32, 33, 36: Within

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts, based on number of clients, number of client days, and percentage of time spent on trust lands, or \$4.00/participant, whichever is greater, within 30 days of permit expiration date. Grand and San Juan Counties. School Fund. Expiration date: November 16, 2008.

This item was submitted by Ms. Jeanine Kleinke for record-keeping purposes.

RIGHT OF ENTRY NO. 5256 (APPROVAL)

The School and Institutional Trust Lands Administration has received an application from Wasatch Wind, LLC, 357 West 910 South, Suite A, Heber City, Utah 84032, to occupy the following described trust land located within Iron County to erect a meteorological tower to collect data to determine if it would be economically feasible to install a wind farm in the area:

T37S, R13W, SLB&M

Section 36: NW¼ (within)

Met. Tower Location: 37°32'18.11" N, 113°15'48.91" W (this is a G.P.S. reading)

Contains 1.00 acre, more or less.

This right of entry replaces ROE 5091, which expired on October 31, 2008. As there will be no permanent surface disturbance, the Resource Development Coordinating Committee ("RDCC") was not notified. A cultural resource survey was previously conducted for ROE 5091, with a finding of "No Historic Properties." The Trust Lands Administration's staff archaeologist concurs with the finding.

The fee for this right of entry is \$600.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$700.00. Iron County. School Fund. The term is one year, commencing November 1, 2008, and expiring October 31, 2009.

Upon recommendation of Mr. Kurt Higgins, the Director approved Right of Entry No. 5256 for a one-year term.

EASEMENTS**EASEMENT NO. 828 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Grass Lakes, LLC
Attn: Becky Radcliffe
3820 State Street
Santa Barbara, California 93105

LEGAL DESCRIPTION:

Township 34 South, Range 2 West, SLB&M

Section 11: E½NW¼, NE¼SW¼, S½SW¼ (within)

Section 14: NW¼NW¼ (within)

Section 15: E½NE¼, NE¼SE¼, W½SE¼ (within)

A 20 foot wide easement for an irrigation pipeline being 10 feet on either side of the following described centerline. The irrigation pipeline itself is the monument that is identified by its physical presence on the land. The following description closely approximates the location of the centerline of the physical monument based on Global Positioning System (G.P.S) data:

Beginning at a point on the centerline of an existing irrigation pipeline, said point being located on the east line of the W½ of Section 11, Township 34 South, Range 2 West, SLB&M, said point also being located South 65.66 feet along said east line from the north ¼ corner of said Section 11; thence running along the centerline of said existing irrigation pipeline the following courses: S 02°51'17" W 97.76 feet; thence S 00°45'39" E 101.35 feet;

EASEMENT NO. 828 (APPROVAL) (CONTINUED)

thence S 01°40'15" E 60.72 feet; thence S 01°45'48" W 165.67 feet; thence S 00°29'56" W 826.98 feet; thence S 00°38'26" W 658.91 feet; thence S 00°11'51" W 686.84 feet; thence S 00°43'03" W 232.38 feet; thence S 08°25'07" W 77.78 feet; thence S 17°45'06" W 83.18 feet; thence S 32°42'03" W 394.65 feet; thence S 37°07'45" W 816.23 feet; thence S 36°36'32" W 81 feet; thence S 29°25'44" W 83.8 feet; thence S 45°17'02" W 82.78 feet; thence S 39°21'04" W 189.83 feet; thence S 38°28'11" W 1196.67 feet; thence S 38°23'15" W 207.28 feet; thence S 43°53'21" W 235.05 feet; thence S 47°35'42" W 490.12 feet; thence S 46°08'33" W 419.26 feet; thence S 43°24'18" W 339.87 feet; thence S 42°02'10" W 135.95 feet; thence S 38°14'00" W 55.16 feet; thence S 45°28'07" W 124.12 feet; thence S 39°47'16" W 140.11 feet; thence S 35°22'13" W 248.9 feet; thence S 34°10'39" W 165.3 feet; thence S 34°38'15" W 532.99 feet; thence S 09°06'12" W 42.33 feet; thence S 22°02'57" W 277.69 feet; thence S 13°53'08" W 104.73 feet; thence S 22°30'36" W 46.43 feet; thence S 14°51'35" W 369.34 feet; thence S 17°05'05" W 159.45 feet; thence S 13°05'37" W 302.64 feet; thence S 08°10'26" W 120.58 feet; thence S 13°22'24" W 574.83 feet; thence S 23°40'04" W 62.64 feet; thence S 33°56'19" W 718.92 feet; thence S 28°32'00" W 134.59 feet; thence S 19°19'48" W 74.95 feet; thence S 10°32'08" W 89.31 feet; thence S 04°23'22" W 94.86 feet to a point located on the south line of Section 15, Township 34 South, Range 2 West, SLB&M, said south line also being the southern boundary of Grantor's property. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Length of centerline is 12,103.93 feet. Contains 5.56 acres more or less.

Township 34 South, Range 2 West, SLB&M

Section 22: SW¼NE¼ (within)

A 20 foot wide easement for an irrigation pipeline being 10 feet on either side of the following described centerline. The irrigation pipeline itself is the monument that is identified by its physical presence on the land. The following description closely approximates the location of the centerline of the physical monument based on Global Positioning System (G.P.S.) data:

Beginning at a point on the centerline of an existing irrigation pipeline, said point being located on the east line of the SW¼NE¼ of Section 22, Township 34 South, Range 2 West, SLB&M, said point also being located N 56°16'18" W 1590.29 feet more or less from the east ¼ corner of said Section 22, thence running along the centerline of said existing irrigation pipeline N 34°31'09" W 177.30 feet; thence N 30°20'52" W 365.78 feet to a point on the north line of the SW¼NE¼ of said Section 22. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Length of centerline is 543.08 feet. Contains 0.25 acres more or less.

COUNTY: Garfield

ACRES: 5.81

FUND: School

PROPOSED ACTION:

The applicant requests an easement to operate, repair, and maintain an existing 8-inch diameter irrigation pipeline. The pipeline is used to service a ranch owned by the applicant. The proposed easement corridor is 12,647.01 feet long and 20 feet wide, containing 5.81 acres. The term of the easement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The application for this easement was originally filed by Tres Amigos, LLC in 2002, who were the owners of the ranch to be serviced by this pipeline. After the application was submitted, the ranch was sold to the current applicant. The current applicant has stated that they were under the impression that this easement had been completed by the previous owner, so they constructed the pipeline after their acquisition of the ranch property. However, in the process of completing Special Use Lease Agreement No. 1490 with the applicant on adjacent lands, it was discovered that this easement had never been completed and the pipeline had been installed on trust lands without authorization. In order to legitimize the pipeline, the applicant is requesting this easement.

EASEMENT NO. 828 (APPROVAL) (CONTINUED)

The original easement application was submitted to the Resource Development Coordinating Committee ("RDCC") for review on October 31, 2002. Comments were received from the Five County Association of Governments as follows:

Five County Association of Governments:

"The Utah State Trust Lands Administration proposes to grant an easement to Tres Amigos, LLC for installing an 8 inch irrigation pipeline. The pipe will be installed along an existing road. Local officials support efforts to increase irrigation efficiencies in the region."

The applicant has been notified of the comments provided by the RDCC.

The Trust Lands Administration's staff archaeologist has reviewed this proposed easement and has determined that the project area was surveyed for cultural resources by the Natural Resources Conservation Service ("NRCS") prior to the construction of the pipeline. No sites were identified during that survey and a finding of "No Historic Properties" was recommended.

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 828 for a term of 30 years beginning January 1, 2008, and expiring December 31, 2037, with the easement fee being \$8,475.49 plus the \$600.00 application fee. Pursuant to Rule R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement with the first payment being due on January 1, 2011.

EASEMENT NO. 1429 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

PacifiCorp, DBA Rocky Mountain Power
Right of Way Services
1407 West North Temple, Suite 110
Salt Lake City, Utah 84116

LEGAL DESCRIPTION:

Township 30 South, Range 25 East, SLB&M
Section 16: E $\frac{1}{2}$ NE $\frac{1}{4}$ (within)

An easement 20 feet in width, being 10 feet on each side of the following described survey line:

EASEMENT NO. 1429 (APPROVAL) (CONTINUED)

Beginning on the east boundary line of the Grantor's land (at Survey Station 144+46.70 of the D.R. Griffin & Associates, Inc. survey dated 5/22/08) at a point S 01°28'08" E 2365.51 feet, more or less, from the northeast corner of Section 16, T30S, R25E, SLB&M, said northeast corner being a found USGLO Survey Brass Cap; thence N 43°24'38" W 1264.11 feet, more or less; thence N 47°27'20" E 332.51 feet, more or less to the customer's point of use, said point of use being a point S 24°44'54" W 1345.12 feet, more or less, from the northeast corner of said Section 16, (at Survey Station 160+43.32 of the D.R. Griffin & Associates, Inc. survey dated 5/22/08) and being in the E½ of the NE¼ of said Section 16, containing 0.76 of an acre, more or less.

COUNTY: San Juan

ACRES: 0.76

FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain a 12.5 kV overhead power distribution line. The power line will service the Bullhorn Compressor Station operated by EnCana Oil & Gas (USA) Inc., which was recently authorized under Special Use Lease No. 1575. The power line will be constructed alongside existing access roads. The proposed easement corridor is 1,656.63 feet long and 20 feet wide, containing 0.76 acres. The term of the easement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on September 8, 2008. Comments were received from the Southeastern Utah Association of Governments as follows:

Southeastern Utah Association of Governments:

"Favorable comment recommended."

The applicant has been notified of the comments provided by the RDCC.

The Trust Lands Administration's staff archaeologist has reviewed the cultural resources survey that was conducted for this project by 4-Corners Archaeological Services (U-08-FE-0363b,p,s). No sites were recorded along the proposed easement corridor; therefore, cultural resource clearance has been granted with a finding of "No Historic Properties Affected."

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1429 for a term of 30 years beginning November 1, 2008, and expiring October 31, 2038, with the easement fee being \$1,204.82 plus the \$750.00 application fee. The administrative fee required pursuant to R850-40-1800 has been paid in a one-time payment of \$1,000.00.

EASEMENT NO. 1436 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

Royale Energy, Inc.
7676 Hazard Center Drive, Suite 1500
San Diego, California 92108

LEGAL DESCRIPTION:

Township 16 South, Range 21 East, SLB&M

Section 13: SE $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ (within)

Section 24: SE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$ (within)

Section 25: E $\frac{1}{2}$ E $\frac{1}{2}$ (within)

Section 36: E $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ (within)

A 50 foot wide easement, being 25 feet on each side of the following centerline:

Beginning at a point in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36, T16S, R21E, SLB&M, which bears S 03°17'22" W 3652.71 feet from the northeast corner of said Section 36; thence N 10°56'32" E 212.78 feet; thence N 04°32'45" E 136.32 feet; thence N 03°18'45" W 1507.99 feet; thence N 13°31'08" W 220.28 feet; thence N 23°18'48" W 347.74 feet; thence N 32°43'15" W 149.34 feet; thence N 39°12'50" W 178.85 feet; thence N 35°42'18" W 197.09 feet; thence N 19°01'03" W 176.44 feet; thence N 02°49'51" W 140.13 feet; thence N 13°59'11" E 550.41 feet to a point on the north line of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 36, which bears N 89°48'41" W 674.87 feet from the northeast corner of said Section 36; thence N 13°59'11" E 182.21 feet; thence N 05°25'21" W 359.81 feet; thence N 06°57'41" W 782.89 feet; thence N 20°26'39" W 174.00 feet; thence N 22°54'25" W 458.67 feet; thence N 14°26'44" W 84.40 feet; thence N 07°23'05" E 139.54 feet; thence N 25°44'46" E 123.41 feet; thence N 07°13'24" E 58.42 feet; thence N 04°26'19" W 99.86 feet; thence N 10°56'38" W 303.16 feet; thence N 03°18'10" W 177.41 feet; thence N 03°10'42" E 1094.12 feet; thence N 18°04'50" E 65.49 feet; thence N 27°08'05" E 192.32 feet; thence N 22°10'16" E 93.53 feet; thence N 00°31'16" E 104.45 feet; thence N 18°30'47" W 110.12 feet; thence N 36°16'39" W 112.60 feet; thence N 50°11'54" W 120.89 feet; thence N 32°15'11" W 283.35 feet; thence N 20°13'46" W 324.83 feet; thence N 08°57'57" W 83.40 feet to a point on the north line of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 25, T16S, R21E, SLB&M, which bears N 89°54'23" W 1279.02 feet from the northeast corner of said Section 25; thence N 08°57'57" W 362.52 feet; thence N 12°02'30" W 390.93 feet; thence N 13°57'44" W 319.78 feet; thence N 02°19'25" W 116.89 feet; thence N 05°28'54" E 199.42 feet; thence N 11°32'54" E 112.61 feet; thence N 21°58'50" E 245.59 feet; thence N 13°04'57" E 151.77 feet; thence N 05°27'19" E 97.68 feet; thence N 01°57'47" W 541.10 feet; thence N 16°38'32" E 779.18 feet; thence N 07°46'57" E 86.57 feet; thence N 03°30'12" W 62.72 feet; thence N 16°29'01" W 93.30 feet; thence N 15°06'28" W 232.11 feet; thence N 10°13'55" W 106.47 feet; thence N 05°16'14" E 93.53 feet; thence N 16°05'00" E 197.68 feet; thence N 01°17'30" E 353.33 feet; thence N 00°17'57" W 738.69 feet; thence N 21°08'05" W 108.41 feet to a point on the north line of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 24, T16S, R21E, SLB&M, which bears N 89°49'59" W 1183.08 feet from the northeast corner of said Section 24; thence N 21°08'05" W 79.93 feet; thence N 13°08'08" W 352.22 feet; thence N 23°53'07" W 78.47 feet; thence N 34°01'22" W 54.44 feet; thence N 56°36'37" W 82.85 feet; thence N 84°59'47" W 75.88 feet; thence N 71°58'06" W 71.27 feet; thence N 38°52'49" W 71.86 feet; thence N 17°13'49" W 232.66 feet; thence N 05°21'16" W 106.22 feet; thence N 04°24'58" E 165.28 feet; thence N 04°55'06" E 348.67 feet; thence N 07°54'43" E 388.74 feet; thence N 06°20'06" E 959.61 feet; thence N 10°41'55" E 432.59 feet; thence N 08°53'02" E 339.77 feet; thence N 12°44'25" E 246.18 feet; thence N 07°44'41" E 284.78 feet; thence N 07°57'14" E 358.39 feet; thence N 12°05'30" E 808.93 feet to a point on the north line of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 13, T16S, R21E, SLB&M, which bears S 89°59'21" W 1039.56 feet from the northeast corner of said Section 13. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 23.28 acres more or less.

COUNTY: Grand

ACRES: 23.28

FUND: School

EASEMENT NO. 1436 (APPROVAL) (CONTINUED)**PROPOSED ACTION:**

The applicant requests an easement to construct, operate, repair, and maintain a 4-inch diameter surface natural gas pipeline and access road. The pipeline and access road will be used to service the Trail Canyon 1-3 Well to be located on trust lands to the north in Sec. 1, T16S, R21E. The well is being drilled under Mineral Lease No. 47218 and this easement corridor will authorize the portion of the pipeline and access road that will be constructed off of the mineral lease. The proposed easement corridor is 20,275.27 feet long and 50 feet wide, containing 2.28 acres. The term of the easement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on September 22, 2008. Comments were received from the Department of Environmental Quality/Division of Air Quality and the Southeastern Utah Association of Governments as follows:

Department of Environmental Quality/Division of Air Quality:

"This proposal may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 North 1950 West, Salt Lake City, Utah, 84116, for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available online at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>

"In addition, the project is subject to R307-205-5, Fugitive Dust, since the project could have a short-term impact on air quality due to the fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/public/code/r307/r307.htm."

Southeastern Utah Association of Governments:

"Favorable comment recommended."

The applicant has been notified of the comments provided by the RDCC. The comments provided by the Division of Air Quality are addressed within Paragraph 13 of the easement agreement.

The Agency's staff archaeologist has reviewed the cultural resources survey that was conducted for this project by Grand River Institute (U-08-GB-0838s). No cultural resources sites were identified within the project area; therefore, cultural resource clearance has been given with a finding of "No Historic Properties Affected."

EVALUATION OF FACTS:

1. The proposed easement is located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

EASEMENT NO. 1436 (APPROVAL) (CONTINUED)

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1436 for a term of 30 years beginning November 1, 2008, and expiring October 31, 2038, with the easement fee being \$23,347.28 plus the \$750.00 application fee. Pursuant to R850-40-1800, an administrative fee will be assessed every three years throughout the term of the easement with the first payment being due on January 1, 2011.

EASEMENT NO. 857 (CANCELLATION)

On May 21, 2003, the School and Institutional Trust Lands Administration received an application from the Navajo Nation Oil & Gas, P.O. Box 4439, Window Rock, AZ 86515, for a pumping station on the following described trust land located within San Juan County:

T40S, R24E, SLB&M
Sec. 32: NW¼SE¼ (Within)

On May 20, 2005, a letter was sent to the applicant requesting the application fee, and other contact was made to resolve this issue but no response was received. San Juan County. School Fund.

Upon recommendation of Mr. Bryan Torgerson, the Director canceled Easement Application No. 857.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE AGREEMENT NO. 1611 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Kerr-McGee Oil & Gas Onshore LP
1999 Broadway, Suite 3700
Denver, Colorado 80202

APPLICATION TYPE: INDUSTRIAL

TERMS: 30 years

BEGINNING DATE: November 1, 2008

ENDING DATE: October 31, 2038

NEXT REVIEW DATE: November 1, 2011

FIRST YEAR RENTAL: \$ 600.00

APPLICATION FEE: 250.00

PROCESSING FEE: 700.00

TOTAL SUBMITTED: \$1,550.00

LEGAL DESCRIPTION:

Township 9 South, Range 21 East, SLB&M

Section 34: NW¼SW¼ (within)

Beginning at a point in the NW¼NW¼ of Section 34, T9S, R21E, SLB&M, which bears S 86°40'58" E 387.26 ft from the West Quarter Corner of said Section 34; thence S 64°17'09" E 70.08 ft; thence S 44°34'01" E 46.51 ft; thence S 27°48'22" W 198.30 ft; thence S 36°08'36" W 72.53 ft; thence S 38°22'25" W 58.70 ft; thence N 53°51'40" W 179.27 ft; thence N 35°13'12" E 314.33 ft; thence S 64°17'09" E 43.78 ft to the point of beginning. Basis of bearings is a G.P.S. observation.

Containing 1.315 acres, more or less.

SPECIAL USE LEASE AGREEMENT NO. 1611 (APPROVAL) (CONTINUED)

COUNTY: Uintah

ACRES: 1.315

FUND: School

PROPOSED ACTION:

The applicant proposes to construct, operate, and maintain a down-hole salt water injection well ("SWD"). This well, NBU #921-34L SWD, will be located on an existing well pad. The current mineral lessee is the applicant. The SWD well will be constructed under the applicant's mineral lease, UO 1194. They will dispose of off-lease and off-unit water. The term of the special use lease agreement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The applicant was given approval to construct this SWD well on an existing well pad, as described above. They will dispose of both off-lease and off-unit water. The applicant shall not dispose of any product other than produced water, as defined in Utah Administrative Code R649-1-1 (2006). The applicant shall not dispose of any produced water from wells operated by parties other than the applicant and its affiliates, it being the intention of the parties that the subject property be utilized solely for non-commercial disposal of produced water from the applicant's oil and gas operations. In addition, the applicant shall not dispose of any produced water from wells operated by the applicant and its affiliates that are located outside the boundaries of the State of Utah. Since off-lease and off-unit water is being injected, a surface lease is required for this site.

In addition to the base rent, the applicant shall pay a water disposal fee in the amount of \$0.15 per barrel for non-compliant water disposed of in the water disposal facility. This amount shall apply for the first three-year period of the lease. Thereafter, the water disposal fee may be adjusted pursuant to Paragraph 4(b) of the lease agreement. For purposes of the lease, non-compliant water is defined as all water disposed of from operations in connection with any development activities other than those under UO 1194, including operations on federal lands, fee lands, and on trust lands other than those included in UO 1194. The water disposal fee payment shall be paid quarterly during the term of the lease, such quarterly periods defined as follows: Quarter One, January to March; Quarter Two, April to June; Quarter Three, July to September; Quarter Four, October to December. The quarterly payment shall be made on or before the 15th of the month following the end of the quarter during the term of the lease, based on water disposal reported on quarterly Utah Division of Oil, Gas & Mining ("UDOGM") well reports, accompanied by a "Surface Revenue Report" provided by the applicant.

As the site was previously developed under the existing mineral lease, it was determined that this application is exempt from review by the Resource Development Coordinating Committee ("RDCC").

The application was exempt from competitive leasing pursuant to R850-30-500 (2)(a).

A cultural resource inventory has been completed by Montgomery, U-05-MQ-0040s, and reviewed by Trust Lands Administration's archaeology staff. No further work is required (not an undertaking).

EVALUATION OF FACTS:

No competing applications were solicited pursuant to R850-30-500(2), as the applicant has requested an exemption due to the facility being constructed under UO 1194. The lease will contain a clause providing for escalation of the annual rental fee at the end of each three-year period, utilizing the approved index.

SPECIAL USE LEASE AGREEMENT NO. 1611 (APPROVAL) (CONTINUED)

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Kurt Higgins, the Director approved the issuance of SULA 1611, with a beginning base rental of \$600.00 and a water disposal fee in the amount of \$0.15 per barrel for non-compliant water disposed of at the water disposal facility. The term of the lease will be 30 years, with a three-year rental review pursuant to R850-30-400.

SPECIAL USE LEASE AGREEMENT NO. 1612 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

Kerr-McGee Oil & Gas Onshore LP
1999 Broadway, Suite 3700
Denver, Colorado 80202

APPLICATION TYPE: INDUSTRIAL

TERMS: 30 years

BEGINNING DATE: November 1, 2008

ENDING DATE: October 31, 2038

NEXT REVIEW DATE: November 1, 2011

FIRST YEAR RENTAL: \$ 600.00

APPLICATION FEE: 250.00

PROCESSING FEE: 700.00

TOTAL SUBMITTED: \$1,550.00

LEGAL DESCRIPTION:

Township 9 South, Range 21 East, SLB&M
Section 34: SE¼NE¼ (within)

Beginning at a point in the SE¼NE¼ of Section 34, T9S, R21E, SLB&M, which bears N 50°03'53" W 945.16 ft from the East Quarter Corner of said Section 34; thence S 20°23'10" E 70.30 ft; thence S 16°44'13" E 67.26 ft; thence S 70°19'06" W 186.32 ft; thence S 74°37'11" W 121.32 ft; thence N 46°51'22" W 65.69 ft; thence N 26°22'58" W 51.90 ft; thence N 17°22'22" W 79.62 ft; thence N 70°40'08" E 143.65 ft; thence N 74°13'49" E 198.98 ft; thence S 20°23'10" E 46.72 ft to the point of beginning. Basis of bearings is a G.P.S observation.

Containing 1.485 acres, more or less.

COUNTY: Uintah

ACRES: 1.485

FUND: School

PROPOSED ACTION:

The applicant proposes to construct, operate, and maintain a down-hole salt water injection well ("SWD"). This well, NBU #921-34H SWD, will be located on an existing well pad. The current mineral lessee is the applicant. The SWD well will be constructed under the applicant's mineral lease, UO 1194. They will dispose of off-lease and off-unit water. The term of the special use lease agreement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The applicant was given approval to construct this SWD well on an existing well pad, described above. They will dispose of both off-lease and off-unit water. The applicant shall not dispose of any product other than produced water, as defined in Utah Administrative Code R649-1-1 (2006). The applicant shall not dispose of any produced water from wells operated by parties other than the applicant and its affiliates, it being the intention of the parties that the subject property

SPECIAL USE LEASE AGREEMENT NO. 1612 (APPROVAL) (CONTINUED)

be utilized solely for non-commercial disposal of produced water from the applicant's oil and gas operations. In addition, the applicant shall not dispose of any produced water from wells operated by the applicant and its affiliates that are located outside the boundaries of the State of Utah. Since off-lease and off-unit water is being injected, a surface lease is required for this site.

In addition to the base rent, the applicant shall pay a water disposal fee in the amount of \$0.15 per barrel for non-compliant water disposed of in the water disposal facility. This amount shall apply for the first three-year period of the lease. Thereafter, the water disposal fee may be adjusted pursuant to Paragraph 4(b) of the lease agreement. For purposes of the lease, non-compliant water is defined as all water disposed of from operations in connection with any development activities other than those under UO 1194, including operations on federal lands, fee lands, and on trust lands other than those included in UO 1194. The water disposal fee payment shall be paid quarterly during the term of the lease, such quarterly periods defined as follows: Quarter One, January to March; Quarter Two, April to June; Quarter Three, July to September; Quarter Four, October to December. The quarterly payment shall be made on or before the 15th of the month following the end of the quarter during the term of the lease, based on water disposal reported on quarterly Utah Division of Oil, Gas & Mining ("UDOGM") well reports, accompanied by a "Surface Revenue Report" provided by applicant.

As the site was previously developed under the existing mineral lease, it was determined that this application is exempt from review by the Resource Development Coordinating Committee ("RDCC").

The application was exempt from competitive leasing pursuant to R850-30-500 (2)(a).

A cultural resource inventory has been completed by Montgomery, U-05-MQ-0040s and reviewed by Trust Lands Administration's archaeology staff. There are no sites recorded; therefore, no further cultural work is required (not an undertaking).

EVALUATION OF FACTS:

No competing applications were solicited pursuant to R850-30-500(2), as the applicant has requested an exemption due to the facility being constructed under UO 1194. The lease will contain a clause providing for escalation of the annual rental fee at the end of each three-year period, utilizing the approved index.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Kurt Higgins, the Director approved the issuance of SULA 1612, with a beginning base rental of \$600.00 and a water disposal fee in the amount of \$0.15 per barrel for non-compliant water disposed of at the water disposal facility. The term of the lease will be 30 years, with a three-year rental review pursuant to R850-30-400.

SPECIAL USE LEASE AGREEMENT NO. 1613 (APPROVAL)**APPLICANT'S NAME AND ADDRESS:**

Kerr-McGee Oil & Gas Onshore LP
 1999 Broadway, Suite 3700
 Denver, Colorado 80202

APPLICATION TYPE: INDUSTRIAL

TERMS: 30 years

BEGINNING DATE: November 1, 2008

ENDING DATE: October 31, 2038

NEXT REVIEW DATE: November 1, 2011

FIRST YEAR RENTAL: \$ 600.00

APPLICATION FEE: 250.00

PROCESSING FEE: 700.00

TOTAL SUBMITTED: \$1,550.00

LEGAL DESCRIPTION:

Township 9 South, Range 21 East, SLB&M
 Section 33: SE $\frac{1}{4}$ NW $\frac{1}{4}$ (within)

Beginning at a point in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 33, T9S, R21E, SLB&M, which bears S 29°48'31" W 1937.45 ft from the North Quarter Corner of said Section 33; thence N 24°36'25" E 75.08 ft; thence S 67°04'24" E 331.32 ft; thence S 20°53'44" W 148.78 ft; thence N 71°22'20" W 342.67 ft; thence N 24°36'25" E 99.37 ft to the point of beginning. Basis of bearings is a G.P.S. observation.

Containing 1.248 acres, more or less.

COUNTY: Uintah

ACRES: 1.248

FUND: School

PROPOSED ACTION:

The applicant proposes to construct, operate, and maintain a down-hole salt water injection well ("SWD"). This well, NBU #921-33F SWD, will be located on an existing well pad. The current mineral lessee is the applicant. The SWD well will be constructed under the applicant's mineral lease, ML 22446. They will dispose of off-lease and off-unit water. The term of the special use lease agreement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The applicant was given approval to construct this SWD well on an existing well pad, described above. They will dispose of both off-lease and off-unit water. The applicant shall not dispose of any product other than produced water, as defined in Utah Administrative Code R649-1-1 (2006). The applicant shall not dispose of any produced water from wells operated by parties other than the applicant and its affiliates, it being the intention of the parties that the subject property be utilized solely for non-commercial disposal of produced water from the applicant's oil and gas operations. In addition, the applicant shall not dispose of any produced water from wells operated by the applicant and its affiliates that are located outside the boundaries of the State of Utah. Since off-lease and off-unit water is being injected, a surface lease is required for this site.

In addition to the base rent, the applicant shall pay a water disposal fee in the amount of \$0.15 per barrel for non-compliant water disposed of in the water disposal facility. This amount shall apply for the first three-year period of the lease. Thereafter the water disposal fee may be adjusted pursuant to Paragraph 4(b) of the lease agreement. For purposes of the lease, non-compliant water is defined as all water disposed of from operations in connection with any development activities other than those under ML 22446, including operations on federal lands, fee lands, and on trust lands other than those included in ML 22446. The water disposal fee payment shall be paid quarterly during the term of the lease, such quarterly periods defined as follows: Quarter One, January to March; Quarter Two, April to June;

SPECIAL USE LEASE AGREEMENT NO. 1613 (APPROVAL) (CONTINUED)

Quarter Three, July to September; Quarter Four, October to December. The quarterly payment shall be made on or before the 15th of the month following the end of the quarter during the term of the lease, based on water disposal reported on quarterly Utah Division of Oil, Gas & Mining ("UDOGM") well reports, accompanied by a "Surface Revenue Report" provided by applicant.

As the site was previously developed under the existing mineral lease, it was determined that this application is exempt from review by the Resource Development Coordinating Committee ("RDCC").

The application was exempt from competitive leasing pursuant to R850-30-500 (2)(a).

A cultural resource inventory has been completed by Montgomery, U-05-MQ-0039s, and reviewed by Trust Lands Administration's archaeology staff. There were no sites recorded; therefore, no further work is necessary (not an undertaking).

EVALUATION OF FACTS:

No competing applications were solicited pursuant to R850-30-500(2), as the applicant has requested an exemption due to the facility being constructed under ML 22446. The lease will contain a clause providing for escalation of the annual rental fee at the end of each three-year period, utilizing the approved index.

This action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Kurt Higgins, the Director approved the issuance of SULA 1613, with a beginning base rental of \$600.00 and a water disposal fee in the amount of \$0.15 per barrel for non-compliant water disposed of at the water disposal facility. The term of the lease will be 30 years, with a three-year rental review pursuant to R850-30-400.

SPECIAL USE LEASE NO. 1121 (EXPIRATION)

Special Use Lease No. 1121 was issued to Montezuma Well Services, Inc., P.O. Box 540, Montezuma Creek, UT 84534. The leased parcel is located within San Juan County and was used for office space and commercial storage. The lease commenced August 1, 1998, and expired July 31, 2008. The lessee desired to lease the property for the same purposes. However, the agency is currently in negotiations with the Navajo Nation to relinquish the subject property to the Navajo Nation in exchange for other BLM lands as provided for in the 1933 Aneth Extension Act. Therefore, a lease will not be issued on the subject property until the negotiations have been completed. Right of Entry No. 5011 was issued on August 1, 2008, to Montezuma Well Services, Inc., which will allow them to occupy the property and continue business as usual until an action is finalized with the Navajo Nation. San Juan County. School Fund.

This item was submitted by Mr. Bryan Torgerson for record-keeping purposes.

SPECIAL USE LEASE AGREEMENT NO. 1437 (ASSIGNMENT)

Pursuant to R850-30-900, Green River Farms, LLC, P.O. Box 404, Green River, Utah 84525, requests permission to assign 100% of its interest in the above-referenced lease to Green River Companies, LLC, 124 South 400 East, Suite 360, Salt Lake City, Utah 84111. Pursuant to R850-30-900(5)(a), the lease is on the most current form and the assignee is acceptable to the Agency. No additional fees are assessed. The \$250.00 assignment fee has been submitted. Emery and Grand Counties. Funding: School- 84 %, MH - 6%, RES - 4%, USU - 6%.

Upon recommendation of Mr. Richard Wilcox, the Director approved the assignment of SULA 1437.

SPECIAL USE LEASE AGREEMENT NO. 458 (CANCELLATION OF LEASE AND RETURN OF LETTER OF CREDIT)

Special Use Lease Agreement No. 458, in the name of Graymont Western US Inc., 3950 S. 700 E., Ste 301, Salt Lake City, UT 84107, is being canceled as this land has been sold to the lessee as a condition of the lease. **The letter of credit in the amount of \$5,000.00, provided by the lessee as a reclamation bond for the lease, will be returned to the lessee.**

Upon recommendation of Mr. Kurt Higgins, the Director approved the cancellation of SULA 458 and the return of the letter of credit.

SPECIAL USE LEASE AGREEMENT NO. 1466 (RECLAMATION BOND)

Newfield Production Company, 1001 17th Street, Ste 2000, Denver, CO 80202, has submitted Corporate Surety Bond No. B004692, in the amount of \$5,000.00, effective October 22, 2008. The bonding company is U.S. Specialty Insurance Company, 13403 Northwest Freeway, Houston, TX 77040. The bond will remain in force and effect until released by Trust Lands Administration. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1466.

SALES**PRE SALE NO. 8377, CERTIFICATE OF SALE NO. 26485 (FREMONT JUNCTION) (CORRECTION OF MINUTES DATED NOVEMBER 3, 2008)**

The sale of land known as Fremont Junction, referenced under Pre Sale No. 8377, Certificate of Sale No. 26485, was reported on the Director's Minutes dated November 3, 2008. The Beneficiary designation for this property was shown as **School Fund**. The correct beneficiary is **Miners Hospital**. The certificate of sale has been corrected prior to mailing it to the purchaser. Sevier County.

Upon recommendation of Ms. Diane Durrant, the Director approved the correction to the November 3, 2008, Minutes.

DEVELOPMENT ACTIONS

DEVELOPMENT SUBDIVISION SALE

THE FOLLOWING SALE HAS BEEN EXECUTED AND A PATENT ISSUED FOR:

SUBD 9.0 Rock Ridge Subdivision of the Coral Canyon Community.

This transaction has been executed pursuant to Development Lease DEVL 610.

LEGAL DESCRIPTION: (SUBDIVISION)

Section 4, Township 42.0 S, Range 14.0 W, SLBM

PURCHASER:

GOLDEN HERITAGE HOMES, INC.
2303 N. CORAL CANYON BLVD. SUITE 200
ST. GEORGE, UT 84780

LOT SALE DESCRIPTION:

Desc /	Certificate #	Cert/Sale Dt	Patent #	Patent Dt	Lot Price	Fee	Acreage	Fund	Section
Lot 02	26372-9-02	05/30/08	19929-9-02	06/23/06	\$11,274.90	\$20.00	0.13	MH	4

LIST MINERAL RESERVATIONS:

Subject to a reservation to the State of all coal and other mineral deposits along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to an easement across the property for utilities as shown on the recorded plat map; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute; also,

Subject to the Covenants, Conditions, and Restrictions that have been recorded for the subdivision.

This item was submitted for record-keeping purposes by Andrea L. James.

ACTIONS CONTAINING FEE WAIVERS

NONE